



EARNINGS REPORT

Second Quarter 2024 (2Q24)

Monterrey, N.L., Mexico, July 24, 2024.

ALFA, S.A.B. de C.V. (BMV: ALFAA) ("ALFA"), a company that has developed leading businesses with global operations, announced today its unaudited results for the second quarter of 2024 ("2Q24"). All figures have been prepared in accordance with International Financial Reporting Standards ("IFRS").



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Important note on changes to ALFA's Consolidated Financial Statements

ALFA's shareholders approved to spin-off ALFA's share ownership of Axtel into a new, listed entity called "Controladora Axtel" on July 12, 2022. The shares of "Controladora Axtel" were distributed to ALFA shareholders and began trading on the Mexican Stock Exchange on May 29, 2023. In accordance with International Financial Reporting Standards (IFRS), Axtel meets the definition of a "Discontinued Operation" for purposes of ALFA's Consolidated Financial Statements. "Discontinued Operations" are the net results of an entity that is either being held for disposal or which has already been disposed of.

The changes in ALFA's Consolidated Financial Statements are as follows:

- ▼ The Consolidated Statement of Financial Position no longer presents Axtel's assets as "Current assets from discontinued operations" nor its liabilities as "Current liabilities from discontinued operations" at the close of 2Q23.
- ▼ The Consolidated Statement of Income presents Axtel's net revenues and expenses as a single line item "Profit (loss) from discontinued operations" as follows:
 - 2Q23: accumulated figures for the one month and 29 days ended May 29, 2023
 - 1Q24: no figures presented related to Axtel
 - 2Q24: no figures presented related to Axtel
 - 2023: accumulated figures for the four months and 29 days ended May 29, 2023
 - 2024: no figures presented related to Axtel
- ▼ The Change in Net Debt no longer presents Axtel's net inflows and outflows in "Net Debt from discontinued operations"

ALFA reports 2Q24 EBITDA of US \$445 million and raises its 2024 Guidance

2Q24 HIGHLIGHTS

<p>ALFA</p>	<ul style="list-style-type: none"> ▶ Accumulated EBITDA of US \$870 million, up 18% year-over-year driven mainly by Sigma. ALFA's 2024 EBITDA Guidance increased 5% to US \$1.590 billion to incorporate upward revision from Sigma ▶ ALFA actively pursuing debt reduction initiatives to complete transformation; various non-core asset sale processes advanced further ▶ Consolidated Net Leverage ratio of 3.3 times; Alpek 3.3x and Sigma 2.0x
<p>Sigma</p>	<ul style="list-style-type: none"> ▶ Thirteenth consecutive quarter of year-on-year sales growth supported by record volume of 462 ktons, up 3% versus 2Q23 ▶ Accumulated EBITDA of US \$542 million, up 33% year-on-year driven by strong growth across all regions ▶ Upward Guidance revision: Sigma's 2024 EBITDA expected to reach historic milestone of US \$1.0 billion, 9% higher than original estimate ▶ Net Leverage ratio of 2.0 times represents lowest level in nearly 11 years
<p>Alpek</p>	<ul style="list-style-type: none"> ▶ Accumulated Comparable EBITDA of US \$312 million is on track to reach full-year guidance of US \$600 million. The global petrochemical industry continued to face certain headwinds such as low reference margins ▶ Completed structural cost reduction initiatives which are expected to deliver US \$75 million in annualized cost savings ▶ Net Debt decreased 5% quarter on quarter driven by solid cash flow

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch. %
				1Q24	2Q23			
ALFA & Subs								
ALFA Revenues	4,197	4,106	4,221	2	(1)	8,303	8,306	-
Alpek	1,921	1,903	2,050	1	(6)	3,825	4,112	(7)
Sigma	2,246	2,170	2,143	3	5	4,416	4,134	7
ALFA EBITDA¹	445	425	360	5	23	870	736	18
Alpek	170	168	148	1	15	338	335	1
Sigma	279	264	217	6	28	542	409	33
ALFA Comparable EBITDA²	433	411	425	5	2	844	821	3
Alpek	158	154	201	3	(21)	312	408	(23)
Sigma	279	264	229	6	21	542	421	29
Majority Net Income³	52	60	4	(14)	-	112	(10)	-
CAPEX & Acquisitions⁴	67	75	196	10	66	142	282	50
ALFA Net Debt	4,977	5,094	4,994	(2)	-	4,977	4,994	-
Alpek	1,726	1,807	1,879	5	8	1,726	1,879	8
Sigma	2,019	2,084	2,012	3	-	2,019	2,012	-
ALFA Net Debt/EBITDA ⁵	3.3	3.5	3.3					
ALFA Interest Coverage ⁶	3.6	3.6	4.1					

1 EBITDA = Operating Income + depreciation and amortization + impairment of assets

2 Comparable EBITDA = Operating Income + depreciation and amortization + impairment of assets + extraordinary items

3 Majority Net Income includes Majority Net Income from Discontinued Operations (Axtel) for 2Q23

4 Includes divestments

5 Times. LTM= Last 12 months. Ratio calculated with Discontinued Operations for all periods

6 Times. LTM= Last 12 months. Interest Coverage= EBITDA/Net Financial Expenses with Discontinued Operations for all periods

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Message from ALFA's Chairman & CEO

"ALFA's consolidated results exceeded our initial estimations as both business units continued to successfully capitalize on resilient demand and better-than-expected dynamics in the food sector. EBITDA grew at double-digit rates year-on-year in 2Q24 and the first half of 2024 (1H24) driven by Sigma, which is key to completing ALFA's transformational process.

Alpek's Comparable EBITDA of US \$312 million during the first half of 2024 is on track to meet our petrochemical business' expectations for the full year. In addition, Alpek completed its structural cost reduction initiatives which are expected to deliver US \$75 million in annualized cost savings to mitigate the impact of sustained global industry headwinds.

Sigma maintained its growth momentum, reporting the thirteenth consecutive quarter of year-on-year increase in Revenues. Moreover, EBITDA reached a new quarterly record-high of US \$279 million. Importantly, all regions contributed to these strong results, including outstanding performance in Mexico and the U.S.

Looking ahead, Sigma expects its 2024 EBITDA to reach the historic milestone of US \$1.0 billion, 9% higher than its original guidance of US \$920 million. Accordingly, ALFA's consolidated, full-year EBITDA guidance was raised to US \$1.590 billion, up from US \$1.510 billion.

During the second quarter, Sigma announced an organizational update to its European operations. The company appointed Juan Ignacio Amat as CEO of Sigma Europe, effective on June 1st. Juan Ignacio brings over 20 years of experience in large consumer goods companies across Europe, holding various leadership positions where he was responsible for the successful implementation of transformational plans. We welcome Juan Ignacio and support Sigma's commitment to raise profitability in its second largest region.

Sigma was also active on the financial front, successfully tapping the local debt capital markets for a second time this year. The latest issuance includes the only tranche from a Mexican corporate that has a twelve-year term, with a bullet amortization and a fixed rate. The proceeds were used mainly to complete the full redemption of the remaining principal of Senior Notes due 2026, extending Sigma's average debt maturity to 5.7 years.

Sigma's solid financial position and extraordinary operating performance provide essential support in the final phase of ALFA's transformation process. On the other hand, Alpek is fully capable of operating as an independent business unit. However, the aggregate debt outside of Alpek, which totaled US \$3.251 billion at the close of 2Q24, must be reduced to ensure an adequate leverage post-separation.

To achieve the desired financial conditions, our near-term efforts remain focused on obtaining funds to pay down debt. Various formal sale processes involving non-core assets advanced further during the second quarter.

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We are confident that the strategic initiatives to accelerate debt reduction, as well as the better-than-expected operating results from Sigma and Alpek put ALFA on the right path to complete the transformation process and realize its unique value potential in the near term. Thank you for your support and trust”.

All the best,

Álvaro Fernández

ALFA (BMV: ALFAA) Consolidated Financial Results

INCOME STATEMENT (US \$ MILLION)

	2024	1Q24	2023	(%) 2Q24 vs.		2024	2023	Ch. %
				1Q24	2Q23			
Total Revenues	4,197	4,106	4,221	2	(1)	8,303	8,306	-
Gross Profit	902	882	808	2	12	1,784	1,565	14
Operating expenses and others	(588)	(593)	(562)	1	(5)	(1,181)	(1,110)	(6)
Operating income (loss)	313	289	246	8	27	602	455	32
Financial cost, net	(305)	(131)	(126)	(132)	(142)	(436)	(213)	(105)
Share of losses of associates	0	0	0	123	160	0	0	(175)
Income Tax	49	(84)	(98)	158	150	(35)	(214)	83
Profit (loss) from continuing operations	57	73	23	(21)	154	130	29	365
Profit (loss) from discontinued operations ¹	0	0	(2)	-	100	0	9	(100)
Consolidated net income (loss)	57	73	21	(21)	180	130	37	248
Controlling Interest	52	60	4	(14)	-	112	(6)	-
EBITDA	445	425	360	5	23	870	736	18
EBITDA/Revenues (%)	10.6	10.4	8.5			10.5	8.9	

¹ Breakdown of Profit (loss) from Discontinued Operations shown on Table 9

Total Revenues in 2Q24 were US \$4.197 billion, down 1% year-on-year as growth at Sigma was offset by a decrease at Alpek. Sigma revenues increased for the thirteenth consecutive quarter, up 5% versus 2Q23, reflecting record-high quarterly volume and growth across the Americas. Alpek revenues decreased 6% year-on-year mainly due to lower average prices. In contrast, Alpek revenues were up 1% versus 1Q24, supported by a sequential improvement in average prices. Accumulated Revenues were US \$8.303 billion, flat when compared to the first half of 2023 as growth at Sigma was offset by a decrease at Alpek (see Table 2).

EBITDA in 2Q24 was US \$445 million, up 23% versus 2Q23 driven by year-on-year increases of 28% at Sigma and 15% at Alpek. Second quarter 2024 consolidated EBITDA includes a net benefit of US \$12 million from extraordinary items related to Alpek; comprised primarily of non-cash inventory adjustments and carry-forward effects. For comparison, consolidated 2Q23 EBITDA included a net negative impact of US \$65 million, comprised of US \$53 million from extraordinary items at Alpek plus a US \$12 million one-time expense at Sigma from the restructuring of administrative functions in Europe. Accumulated EBITDA in the first half of 2023 was US \$870 million, up 18% year-on-year, driven by a 33% increase at Sigma (see Tables 3, 4 and 5).

Adjusting for extraordinary items in all periods, **Comparable EBITDA** was US \$433 million, US \$411 million and US \$425 million in 2Q24, 1Q24 and 2Q23, respectively. Comparable 2Q24 EBITDA was up 2% year-on-year as a 21% increase at Sigma was partially offset by a 21% decline at Alpek. Comparable EBITDA at Alpek was negatively impacted by lower reference margins in both of its business segments when compared to 2Q23. However, Alpek's Comparable EBITDA increased 3% quarter-on-quarter amid a gradual recovery in reference margins. Sigma reported an all-time high quarterly Comparable EBITDA driven by year-on-year growth in all regions: Mexico (+17%), U.S. (+5%), Europe (+14x) and Latam (+20%). Accumulated Comparable EBITDA in the first half of 2024 was US \$844 million, up 3% versus the same period in 2023 driven by a 29% increase at Sigma (see Tables 3, 4 and 5).

Operating Income was US \$313 million in 2Q24, up 27% year-on-year driven by growth in Sigma as explained above. Similarly, accumulated Operating Income was US \$602 million, up 32% versus the first half of 2023 mainly driven by growth in Sigma. In 2023, accumulated Operating Income included an asset impairment (US \$47 million) and non-recurring expenses (US \$14 million) associated with Alpek's shutdown of operations at its Cooper River site (see Table 3).

Comprehensive Financing Expense (CFE) was US \$305 million, up from US \$126 million in 2Q23, primarily due to non-cash foreign exchange losses related to the recent depreciation of the Mexican peso against the U.S. dollar. Higher interest expenses at Sigma also contributed to the year-on-year increase in CFE during 2Q24. Accumulated CFE in the first half of 2024 was US \$436 million, up 105% versus the same period last year also due to higher non-cash foreign exchange losses resulting from the recent depreciation of the Mexican peso against the U.S. dollar (see Table 6).

Controlling Interest Net Income was US \$52 million in 2Q24 compared to US \$4 million in 2Q23. The year-on-year increase was primarily due to higher Operating Income. In addition, higher CFE was partially offset by lower Income Tax during the quarter (see Table 7). Accumulated Controlling Interest Net Income was US \$112 million, versus a Controlling Interest Net Loss of US \$10 million in the first half of 2023 due to higher Operating Income as higher CFE was partially offset by lower Income Taxes (see Table 7).

CHANGE IN NET DEBT (US \$ MILLION)

	2024	1Q24	2023	(%) 2Q24 vs.		2024	2023	Ch. %
				1Q24	2Q23			
EBITDA	445	425	360	5	23	870	736	18
Net Working Capital	30	(276)	302	111	(90)	(247)	171	(244)
Capital Expenditures & Acquisitions	(67)	(75)	(196)	10	66	(142)	(282)	50
Net Financial Expenses	(123)	(103)	(100)	(20)	(23)	(226)	(194)	(16)
Taxes	(152)	(91)	(188)	(67)	19	(243)	(344)	29
Dividends	(20)	(48)	-	58	-	(68)	(151)	55
Other Sources (Uses)	4	(7)	(122)	160	104	(3)	(179)	98
Decrease (Increase) in Net Debt	117	(175)	56	167	110	(58)	(242)	76
<i>Net Debt</i>	<i>4,977</i>	<i>5,094</i>	<i>4,994</i>	<i>(2)</i>	<i>-</i>	<i>4,977</i>	<i>4,994</i>	<i>-</i>

Net Debt was US \$4.977 billion at the close of 2Q24, flat year-on-year and down 2% versus 1Q24. The decrease in Net Debt reflects higher EBITDA and a US \$30 million recovery in Net Working Capital. Taxes account for the main cash outflow during 2Q24 due to the end-of-period payment corresponding to the 2023 fiscal exercise.

As of June 30, 2024, Cash totaled US \$1.203 billion. Additionally, ALFA and its Subsidiaries had US \$1.364 billion in available Committed Credit Lines. Financial ratios at the close of 2Q24 were: Net Debt to EBITDA of 3.3 times and Interest Coverage of 3.6 times, compared with 3.3 and 4.1 times in 2Q23, respectively (see Table 8). Net Debt to EBITDA ratios at Sigma and Alpek were 2.0 and 3.3 times, respectively, at the end of June 2024.

Net Working Capital had a recovery of US \$30 million during 2Q24 driven by a benefit in Alpek reflecting improvements in inventory management and other optimizations.

Capital Expenditures & Acquisitions (Capex) totaled US \$67 million in 2Q24 mainly driven by planned investments in maintenance and operating asset replacements. Accumulated Capex was US \$142 million versus US \$282 million in the first half of 2023, which included Sigma's acquisition of Los Altos Foods and a packaged meats production facility in Iowa.

Dividends of US \$20 million in 2Q24 correspond to payments to minority shareholders at the subsidiary level. Consolidated Dividends in the first half of 2024 were US \$68 million versus US \$151 million in the same period of 2023. Year-to-date, ALFA shareholders have received dividends totaling US \$48 million versus US \$96 million in 2023.

RECENT DEVELOPMENTS – ALFA

<p>Unlocking Value – Corporate Simplification</p>	<ul style="list-style-type: none"> ▶ Transformation to unlock ALFA’s fair value potential by simplifying its corporate structure ▶ Orderly transition towards independent business units (vs. conglomerate) ▶ Progress to date: <ul style="list-style-type: none"> - Nematik spin-off (2020) - Axtel spin-off (2023) - Corporate expenses down 80% vs 2019 (2023) - Gained flexibility to reduce debt via Bond refinancing with prepayable bank loans (2023) ▶ Next steps: <ol style="list-style-type: none"> 1. Selective monetization of non-core assets (various processes advanced further in 2Q24) 2. Debt reduction and liability management 3. Shareholder approval to spin-off Alpek 4. Spin-off of ALFA’s share ownership in Alpek ▶ Key elements to monitor: <ul style="list-style-type: none"> - Sigma EBITDA growth - Consolidated debt excluding Alpek (Sigma + ALFA) ▶ ALFA actively seeking debt reduction alternatives to ensure strong financial position of the remaining Sigma/ALFA entity upon the eventual separation of Alpek
<p>NAFINSA Trust (“NT”)</p>	<ul style="list-style-type: none"> ▶ Based on figures provided by Nacional Financiera, S.N.C., the number of ALFA shares held by foreign investors on June 30, 2024 was 2,469,954,910 ▶ Equivalent to 51.27% of ALFA shares outstanding ▶ The maximum authorized NT threshold is 75% of the representative shares of ALFA’s capital stock
<p>Share Repurchase Program</p>	<ul style="list-style-type: none"> ▶ No shares were repurchased in 2Q24 ▶ No shares were repurchased in 1H24

<h3>Credit Ratings</h3>	<p>S&P Global Ratings – latest publication on July 1, 2024</p> <ul style="list-style-type: none"> Affirmed “BBB-” long-term issuer credit rating; affirmed the “BB+” issue-level rating on senior unsecured notes Rating Outlook remains Stable <p>Fitch Ratings – latest publication on February 23, 2024</p> <ul style="list-style-type: none"> Affirmed long-term foreign Issuer Default Ratings (IDRs) at “BBB-” Rating Outlook remains Stable <p>Moody’s – latest publication on November 30, 2023</p> <ul style="list-style-type: none"> Affirmed “Baa3” senior unsecured global notes rating Rating Outlook remains Stable 																																				
<h3>Quiet Period</h3>	<ul style="list-style-type: none"> ALFA enters into a Quiet Period seven days prior to the close of each quarter 3Q24 Quiet Period will begin on September 23, 2024 																																				
<h3>2024 Guidance revised up</h3>	<ul style="list-style-type: none"> 2024 Consolidated Guidance revised to reflect upward adjustments in Revenues and EBITDA at Sigma <table border="1" data-bbox="500 1014 1370 1226"> <thead> <tr> <th colspan="2">(US \$ Millions)</th> <th>New</th> <th>Previous</th> <th>Ch. %</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Revenues</td> <td>ALFA</td> <td>16,775</td> <td>16,575</td> <td>1</td> </tr> <tr> <td>Sigma</td> <td>8,850</td> <td>8,650</td> <td>2</td> </tr> <tr> <td>Alpek</td> <td>7,800</td> <td>7,800</td> <td>-</td> </tr> </tbody> </table> <table border="1" data-bbox="500 1260 1370 1472"> <thead> <tr> <th colspan="2">(US \$ Millions)</th> <th>New</th> <th>Previous</th> <th>Ch. %</th> </tr> </thead> <tbody> <tr> <td rowspan="3">EBITDA</td> <td>ALFA</td> <td>1,590</td> <td>1,510</td> <td>5</td> </tr> <tr> <td>Sigma</td> <td>1,000</td> <td>920</td> <td>9</td> </tr> <tr> <td>Alpek</td> <td>600</td> <td>600</td> <td>-</td> </tr> </tbody> </table>	(US \$ Millions)		New	Previous	Ch. %	Revenues	ALFA	16,775	16,575	1	Sigma	8,850	8,650	2	Alpek	7,800	7,800	-	(US \$ Millions)		New	Previous	Ch. %	EBITDA	ALFA	1,590	1,510	5	Sigma	1,000	920	9	Alpek	600	600	-
(US \$ Millions)		New	Previous	Ch. %																																	
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Results by Business

Sigma – FOOD PRODUCTS



54% of ALFA's Revenues in 2Q24

2Q24 HIGHLIGHTS

<p>Sigma Consolidated</p>	<ul style="list-style-type: none"> ▶ Thirteenth consecutive quarter of year-on-year Revenue growth supported by record quarterly Volume ▶ All-time high quarterly consolidated EBITDA of US \$279 million, supported by solid growth in all regions ▶ 2024 EBITDA guidance revised up 9% to US \$1.0 billion driven by a strong performance in the Americas and the ongoing recovery of Europe ▶ Net Debt to EBITDA Ratio of 2.0 times at the close of 2Q24 represents lowest level in nearly 11 years
<p>Mexico</p>	<ul style="list-style-type: none"> ▶ Record quarterly Volume and Revenue, supported by consistent growth across all categories and channels ▶ All-time high quarterly EBITDA, up 17% year-on-year, driven by Volume growth, revenue management and a strong Mexican peso
<p>Europe</p>	<ul style="list-style-type: none"> ▶ Comparable 2Q24 Volume increased 1%, when adjusted for the divestiture of operations in Italy ▶ Quarterly EBITDA of US \$18 million driven mainly by operational efficiencies in key markets and the Italy divestment
<p>U.S.</p>	<ul style="list-style-type: none"> ▶ Record quarterly Volume and Revenue, up 5% and 10% year-on-year, respectively ▶ 2Q24 EBITDA increased 5% year-on-year, driven by Hispanic Brands, Los Altos Foods and Mainstream Brands
<p>Latam</p>	<ul style="list-style-type: none"> ▶ Record second quarter Volume and Revenue, up 5% and 3% year-on-year, respectively ▶ All-time second quarter high EBITDA, driven by margin improvement in Costa Rica and the Dominican Republic

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2024	1Q24	2023	(%) 2Q24 vs.		2024	2023	Ch. %
				1Q24	2Q23			
Volume (ktons)	462	449	448	3	3	911	875	4
Mexico	248	243	235	2	6	492	460	7
Europe	92	91	97	1	(5)	184	193	(5)
United States	94	88	90	8	5	182	171	6
Latam	27	26	25	1	5	53	51	4
Revenues	2,246	2,170	2,143	3	5	4,416	4,134	7
Mexico	1,112	1,078	1,005	3	11	2,190	1,948	12
Europe	557	546	604	2	(8)	1,103	1,163	(5)
United States	426	398	389	7	10	824	735	12
Latam	150	149	146	1	3	299	288	4
EBITDA	279	264	217	6	28	542	409	33
Mexico	191	176	163	8	17	367	292	26
Europe	18	14	(11)	31	(269)	32	(2)	-
United States	55	59	53	(5)	5	114	94	21
Latam	14	16	12	(9)	20	30	24	22
Capex & Acquisitions	43	38	128	13	(66)	81	162	(50)
Net Debt	2,019	2,084	2,012	(3)	-	2,019	2,012	-
Net Debt / LTM* EBITDA	2.0	2.2	2.8					
LTM* Interest Coverage ¹	5.7	5.9	5.6					

* Times. LTM = Last 12 months

¹ Interest Coverage = EBITDA/Net Financial Expenses

Message from Sigma's President

"As we close the second quarter of 2024, I am pleased to once again highlight the exceptional performance of Sigma, marking our thirteenth consecutive quarter of year over year sales increase. All-time high quarterly volume contributed to achieving record EBITDA, with solid gains in the Americas and consistent improvement in Europe. These positive results reflect increasing consumer preference as well as strong execution to capitalize on certain favorable market conditions.

Based on year-to-date results, we are raising our 2024 guidance. Our revenue forecast is now US \$8.850 billion, up from US \$8.650 billion, and estimated EBITDA was revised up to US \$1.0 billion, from US \$920 million. These new estimates include robust performance in the Americas, the ongoing recovery of our European operations, and the effects of a sequentially stronger U.S. dollar versus the Mexican peso in the second half of the year.

During the second quarter, we announced the appointment of Juan Ignacio Amat as the new CEO for our European operations, Sigma's second largest region. Juan brings a robust track record spanning over 20 years at various leadership roles within major consumer goods companies across Europe. We look forward to working together with him as we strengthen our competitive position and drive profitability improvement in Europe.

Continuing with our commitment to strengthening our financial position, we completed the full redemption of our US \$1.0 billion 2026 bond, mainly through the successful reopening and placement of local notes. Noteworthy, Sigma is the only Mexican corporate that has a twelve-year term with a bullet amortization and a fixed rate in the local debt capital market. These accomplishments reinforce our financial position and reflect a disciplined approach to liability management.

On the Sustainability front, we continue to drive improvements, achieving higher ratings from Sustainalytics and S&P, consistently above the industry average in both cases. I invite you to explore our 2023 [Sustainability Report](#), which features our ESG accomplishments and ongoing initiatives, including an average completion of over 80% on our remaining 2025 sustainability commitments.

It is truly encouraging to witness such significant progress across various strategic fronts, accompanied by record results in the first half of the year. All of this has been made possible by the hard work and dedication of the entire Sigma team.

As we move forward, we are prepared to tackle the evolving market conditions and seize growth opportunities in the second half of the year.

Thank you, as always, for your interest in Sigma."

Rodrigo Fernández

INCOME STATEMENT (US \$ MILLION)

	2024	1Q24	2Q23	(%) 2Q24 vs		2024	2023	Ch. %
				1Q24	2Q23			
Total Revenues	2,246	2,170	2,143	3	5	4,416	4,134	7
Gross Profit	734	706	643	4	14	1,440	1,198	20
Operating expenses and others	(516)	(502)	(480)	3	8	(1,019)	(897)	14
Operating income (loss)	218	203	163	7	33	421	301	40
Financial cost, net	(80)	(74)	(103)	8	(22)	(155)	(173)	(11)
Share of losses of associates	0	0	0	-	-	0	0	-
Income Tax	(8)	(60)	(64)	(87)	(88)	(68)	(137)	(50)
Consolidated net income (loss)	129	69	(4)	88	-	198	(9)	-
<i>EBITDA</i>	<i>279</i>	<i>264</i>	<i>217</i>	<i>6</i>	<i>28</i>	<i>542</i>	<i>409</i>	<i>33</i>
<i>EBITDA/Revenues (%)</i>	<i>12.4</i>	<i>12.2</i>	<i>10.1</i>			<i>12.3</i>	<i>9.9</i>	

Volume was 462 ktons in 2Q24, up 3% year-on-year, as growth of 6% in Mexico, and 5% in the U.S. as well as Latam more than offset a 5% decrease in Europe. 2Q24 Volume in Europe reflects the divestiture of the Italian operations in 3Q23. Adjusting for this transaction, comparable European Volume was up 1%. Accumulated Volume was 911 ktons, up 4% versus 1H23.

Average prices increased 2% versus 2Q23. In local currencies, quarterly prices were flat year-on-year, as revenue management initiatives in the U.S. and Mexico were offset by lower average prices in Europe associated with the divestment in Italy. Consolidated average prices in local currencies increased 1% when compared to 1Q24.

Revenues were US \$2.246 billion in 2Q24, up 5% year-on-year, driven mainly by higher Volume, revenue management initiatives, and a strong Mexican peso throughout most of the quarter. In local currencies, quarterly Revenues were up 5% driven by growth in the U.S. (+10%), Mexico (+11%), and Latam (+3%) (see Table 11).

Revenues during the first six months of 2024 were US \$4.416 billion, 7% higher year-on-year. In local currency, accumulated Revenues rose by 3% versus 1H23.

EBITDA was US \$279 million in the second quarter of 2024, up 28% year-on-year, driven by growth in all regions. Quarterly EBITDA continued to benefit from solid Volume growth, a favorable Mexican peso exchange rate and the sustained recovery trend in Europe. As reported last year, 2Q23 EBITDA includes a one-time charge of US \$12 million related to European restructuring expenses. In local currency, quarterly EBITDA was up 26% versus the same period last year.

Similarly, accumulated EBITDA was US \$542 million, up 33% versus 1H23. EBITDA margin during 1H24 was 12.3% versus 9.9% during the same period last year, supported by higher Volume, a strong Mexican peso and favorable raw material cost trends throughout most of the semester. In local currency, accumulated EBITDA was up 28% year-on-year.

Operating Income was US \$218 million in 2Q24, up 33% when compared to US \$163 million in 2Q23, driven by the increase in EBITDA explained above. Accumulated Operating Income was US \$421 million, 40% higher year-on-year.

Comprehensive Financing Expense (CFE) was US \$80 million, a 22% decrease versus US \$103 million in 2Q23, as higher interest expenses were partially offset by lower foreign exchange losses. Accumulated CFE was US \$155 million, down from US \$173 million in 1H23 for the same reason.

Net Profit was US \$129 million in 2Q24, up from a net loss of US \$4 million in 2Q23 driven by the increase in Operating Income explained above, lower foreign exchange losses amid a significant depreciation of the Mexican peso in June 2024 and lower taxes. Net profit for the first half of 2024 was US \$198 million, compared to a net loss of US \$9 million during the same period in 2023, mainly due to a higher Operating Income, lower foreign exchange losses and lower taxes.

CHANGE IN NET DEBT (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs		2024	2023	Ch. %
				1Q24	2Q23			
EBITDA	279	264	217	6	28	542	409	33
Net Working Capital	(48)	(95)	31	(49)	(256)	(142)	(26)	444
Capital Expenditures & Acquisitions	(43)	(38)	(128)	13	(66)	(81)	(162)	(50)
Net Financial Expenses	(60)	(44)	(35)	38	71	(103)	(64)	63
Taxes	(124)	(54)	(81)	128	53	(178)	(167)	7
Dividends	0	(76)	(75)	(100)	(100)	(76)	(75)	1
Other Sources (Uses)	61	(17)	(100)	(453)	(160)	44	(145)	(130)
Decrease (Increase) in Net Debt	65	(59)	(172)	(210)	(138)	6	(229)	(103)

Net Debt was US \$2.019 billion, down US \$65 million versus 1Q24. Positive cash flow during 2Q24 was reduced by higher taxes, which included the end-of-period payment corresponding to the 2023 fiscal exercise. However, 2Q24 Change in Net Debt benefitted from a positive foreign exchange conversion effect resulting primarily from the depreciation of the Mexican Peso at the close of the quarter. Net Debt decreased US \$6 million during the first half of 2024.

Cash totaled US \$724 million in 2Q24, down US \$414 million when compared to 1Q24 and US \$114 million higher than 2Q23. The changes in Cash balance reflect liability management initiatives year to date, primarily the issuance of local notes in March and May 2024, as well as the full redemption of senior notes due 2026 (see Recent Developments – “Mexican Local Bond Issuance” and “2026 Senior Notes Full Redemption”).

Approximately 58% of Cash was held in U.S. dollars and euros. Financial ratios at the end of the quarter were: Net Debt to EBITDA of 2.0 times and Interest Coverage of 5.7 times. The net leverage at the end of 2Q24 represents the lowest level in nearly eleven years (see Table 14).

Net Working Capital (NWC) investment was US \$48 million during 2Q24 driven primarily by the investment in raw material inventories in Mexico and Latam, as well as higher accounts receivable amid Revenue growth in the U.S. and Mexico.

Capital Expenditures & Acquisitions (Capex) totaled US \$43 million during the quarter, 66% lower than 2Q23. Approximately 68% of Capex was maintenance-related and the remainder was invested in strategic projects.

No Dividends were paid during 2Q24.

INDUSTRY COMMENTS - SIGMA

Consumer Confidence and Retail Sales

Average consumer confidence in Mexico (as per INEGI¹) was 47.2 points in 2Q24, up 2.5 points year-on-year. By the end of June 2024, the average inflation rate had decreased to 4.7%, a 1.0 percentage point reduction against the 5.7% rate at the end of the same period in 2023. Same-store-sales (as per ANTAD²) during May 2024 grew 8.1% year-on-year.

The latest data released by the Mexican tourism authorities (DATATUR³) for May 2024 reports a slight year-on-year increase of 0.3% in the total hotel occupancy rate, reflecting a moderation in the tourism sector.

In the United States, the average consumer confidence level reported during 2Q24 by The Conference Board was 99.7, a 5% decrease versus 2Q23. As of June 2024, the Consumer Price Index (CPI) resulted in an inflation rate of 3.0%, unchanged when compared with the inflation rate reported during the same month last year. Adjusted Food & Beverage Retail Sales reported by the U.S. Census Bureau during the second quarter increased by 1% on average year-on-year.

As of June 2024, the European Commission reported that the average consumer confidence level improved to negative 14.3 points when compared with negative 17 points during the same period of last year. According to Eurostat, Food Retail Sales were down by 1% on average year-on-year and sequentially. The inflation rate fell to an average of 2.5% at the end of 2Q24, compared to 5.6% at the end of 2Q23.

¹ Instituto Nacional de Estadística y Geografía - National Statistics and Geography Institute

² Asociación Nacional de Tiendas de Autoservicio y Departamentales - National Association of Supermarkets and Department Stores

³ DataTur - Sistema Nacional de Información Estadística del Sector Turismo de México

Exchange Rate

When compared against the U.S. dollar, the average 2Q24 exchange rate for the Mexican peso appreciated 3%, and the euro depreciated 1% year-on-year. Furthermore, Sigma's Latam currency mix (outside Mexico) experienced a net depreciation effect of approximately 2% year-on-year versus the U.S. dollar.

	2Q24	1Q24	2Q23	(%) 2Q24 vs		2024	2023	Ch. %
				1Q24	2Q23			
Mexico - MXN/USD Avg	17.21	17.00	17.72	1	(3)	17.10	18.21	(6)
Mexico - MXN/USD EOP	18.38	16.68	17.07	10	8	18.38	17.07	8
EU - USD/EUR Avg	1.08	1.09	1.09	-	(1)	1.08	1.08	-
EU - USD/EUR EOP	1.07	1.08	1.09	(1)	(2)	1.07	1.09	(2)
Dominican Rep. - DOP/USD Avg	516.07	514.28	541.15	-	(5)	515.41	551.10	(6)
Dominican Rep. - DOP/USD EOP	526.57	505.39	543.69	4	(3)	526.57	543.69	(3)
Peru - PEN/USD Avg	58.89	58.63	54.69	-	8	58.77	55.43	6
Peru - PEN/USD EOP	59.07	59.16	54.95	-	8	59.07	54.95	8
Costa Rica - CRC/USD Avg	3.75	3.76	3.69	-	2	3.76	3.76	-
Costa Rica - CRC/USD EOP	3.83	3.72	3.63	3	6	3.83	3.63	6

Revenues from Costa Rica, the Dominican Republic, Peru, and Ecuador represented more than 80% of Latam Revenues. Ecuador is a dollarized economy; therefore, no exchange rate is included above.

Raw Materials

U.S. pork ham prices during 2Q24 increased 18% year-on-year, driven by sustained elevated export interest and earlier-than-expected seasonal demand.

In Europe, average quarterly pork ham prices were 7% lower and lean hog prices dropped by 10% compared to the same period last year. However, sequentially, pork ham prices increased 2%, while lean hog prices rose by 7%. Unlike rising beef and chicken production in the E.U., pork production continues to lag.

In the U.S. poultry market, average turkey breast prices fell by 25% year-on-year, affected by weak white meat demand. In contrast, turkey thigh quarterly prices increased 15% year-on-year, supported by strong demand for dark meat. Chicken prices decreased by 3% year-on-year but rose by 16% versus the first quarter of 2024, as chicken hatchability reached a record low of 77%.

RESULTS BY REGION - SIGMA

During 2Q24, Mexico accounted for 49% of total revenues; while Europe represented 25%; the U.S. 19%; and Latam 7%.

Mexico

In local currency, 2Q24 Revenues increased 7% year-on-year, driven by all-time high quarterly Volume reflecting strong demand across all channels and product categories. Prices were up 2% year-on-year driven by revenue management initiatives. 2Q24 Foodservice Channel Revenues were up by 8% year-on-year, driven by solid Volume growth from new and existing customers.

In pesos, 2Q24 EBITDA increased 13% year-on-year, reaching a quarterly all-time high, driven by higher Volume and cost benefits.

Accumulated Revenues and EBITDA in local currency were 6% and 18% higher than 1H23, respectively. Results were driven by solid demand across all channels and product categories.

Europe

2Q24 Revenues in euros were down 7% year-on-year, due to a 5% decrease in volume following the divestment of operations in Italy, as well as 2% lower average prices. Adjusting for the Italy divestiture, comparable 2Q24 Volume increased 1% and comparable Revenues were flat year-on-year.

In local currency, 2Q24 EBITDA was EUR \$17 million, compared to a loss of EUR \$10 million in 2Q23, which included a one-time charge of EUR \$11 million related to restructuring expenses last year. These results were driven by operational efficiencies in key markets, the Italy divestment and an improvement in the Fresh Meats business. As a reference, Packaged Meats represents approximately 82% of European Revenues and Fresh Meats the remainder.

Accumulated Revenues in euros during 1H24 were 7% lower year-on-year. Adjusting for the Italy divestiture, comparable Revenues were up 1% year-on-year. EBITDA for the first 6 months of 2024 was EUR \$30 million, compared to a loss of EUR \$1 million in 1H23, driven by the Italy divestment, operational efficiencies in other countries, and an improvement in the Fresh Meats business.

United States

Quarterly Revenues were 10% higher versus 2Q23, resulting from record Volume mainly driven by the Hispanic Brands segment, Los Altos Foods and Mainstream Brands. Revenue management initiatives also contributed to this positive result.

2Q24 EBITDA was up 5% versus 2Q23, reaching US \$55 million supported by Volume growth.

Accumulated Revenue and EBITDA were up 12% and 21% year-over-year, respectively. 1H24 results were mainly driven by strong demand in the Hispanic and Mainstream Brands, as well as Los Altos Foods.


Latam


In local currencies, quarterly Revenues were up 4% year-on-year supported by record second quarter Volume, which was mainly driven by the Dominican Republic and Ecuador.

All-time high second quarter EBITDA in local currencies was up 20% year-on-year, boosted primarily by a margin improvement in Costa Rica and the Dominican Republic.

Currency-neutral accumulated Revenues and EBITDA were up 3% and 21% year-over-year, respectively. 1H24 results were driven by solid consumer demand.

RECENT DEVELOPMENTS – SIGMA

<h4>Sigma Europe CEO Succession</h4>	<ul style="list-style-type: none"> Appointed Juan Ignacio Amat as the new CEO for Sigma Europe effective on June 1st Over 20 years of experience in large consumer goods companies across Europe, holding various leadership roles where he successfully implemented transformational plans Juan Ignacio will succeed Ricardo Doehner, who will join Sigma’s Central Functions to continue contributing to the company’s business strategy after a 10-year trajectory in Sigma Europe 														
<h4>2024 Guidance Upward Revision</h4>	<p>Adjusting 2024 Revenue and EBITDA Guidance</p> <table border="1" data-bbox="509 737 1321 905"> <thead> <tr> <th colspan="2">(US \$ Millions)</th> <th>New</th> <th>Previous</th> <th>Ch. %</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Sigma</td> <td>Revenues</td> <td>8,850</td> <td>8,650</td> <td>2</td> </tr> <tr> <td>Sigma</td> <td>1,000</td> <td>920</td> <td>9</td> </tr> </tbody> </table> <ul style="list-style-type: none"> New estimates consider robust performance in the Americas, the ongoing recovery of European operations and an average exchange rate of \$18.50 USD/MXN for 2H24 2024 Capex Guidance remains unchanged at US \$250 million 	(US \$ Millions)		New	Previous	Ch. %	Sigma	Revenues	8,850	8,650	2	Sigma	1,000	920	9
(US \$ Millions)		New	Previous	Ch. %											
Sigma	Revenues	8,850	8,650	2											
	Sigma	1,000	920	9											
<h4>Mexican Local Bond Issuance</h4>	<ul style="list-style-type: none"> Successful reopening and placement of Ps \$7,141 million (US ~\$424 million) in local notes, also known as <i>Certificados Bursátiles</i> (May 2024) The issuance consisted of two tranches, the first comprised of Ps \$2,341 million with a 3.8-year term at a variable interest rate and the second tranche of Ps \$4,800 million with a 12-year term at a fixed interest rate The second tranche represents the only 12-year note in the Mexican corporate market with a bullet amortization and a nominal fixed rate 														
<h4>Full Redemption of 2026 Senior Notes</h4>	<ul style="list-style-type: none"> Sigma successfully implemented the full redemption of its Senior Notes due 2026 with a total outstanding principal amount of US \$1.0 billion The redemption was funded with proceeds from the local notes issued in Mexico plus a US \$200 million Mexican peso equivalent long term bilateral bank credit line The average debt maturity was extended to 5.7 from 4.6 years 														
<h4>Brand Portfolio</h4>	<ul style="list-style-type: none"> Sigma launched  brand of 100% Argentinian Beef cuts through its Foodservice channel in Mexico 														

<p>Growth Business Unit</p>	<p>Expanding the plant-based category</p> <ul style="list-style-type: none"> ▶ Launch of Better-nera®, a plant-based whole cut in Spain ▶ Introduction of the  better balance® brand in France and Portugal
<p>Sustainability</p>	<p>Ratings</p> <ul style="list-style-type: none"> ▶ 2023 Sustainalytics rating of 24.6, better than the industry average risk rating of 33.6 <p>Published 2023 Sustainability Report</p> <ul style="list-style-type: none"> ▶ Presents progress on 2025 Sustainability Goals, as well as Sigma’s comprehensive ESG strategy (link)

(See "Financial Statements" for Sigma’s 2Q24 Balance Sheet and Income Statement)

Alpek (BMV: ALPEKA) – PETROCHEMICALS



46% of ALFA's revenues in 2Q24

SELECTED FINANCIAL INFORMATION (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs		2024	2023	Ch. %
				1Q24	2Q23			
Volume (ktons)	1,202	1,202	1,197	-	-	2,404	2,358	2
Polyester	1,000	990	984	1	2	1,990	1,923	3
Plastics & Chemicals	202	212	213	(4)	(5)	414	435	(5)
Revenues	1,921	1,903	2,050	1	(6)	3,825	4,112	(7)
Polyester	1,425	1,395	1,532	2	(7)	2,820	3,022	(7)
Plastics & Chemicals	399	398	409	-	(3)	797	842	(5)
Others	98	110	109	(11)	(10)	208	248	(16)
EBITDA	170	168	148	1	15	338	335	1
Polyester	122	109	90	11	35	231	181	28
Plastics & Chemicals	44	57	55	(23)	(20)	100	154	(35)
Others	5	2	3	157	69	7	-	-
Comparable EBITDA¹	158	154	201	3	(21)	312	408	(23)
Polyester	102	107	127	(4)	(20)	210	260	(19)
Plastics & Chemicals	52	43	70	20	(26)	95	147	(36)
Others	4	4	3	14	34	8	-	-
Capex & Acquisitions²	22	34	75	(33)	(70)	56	127	(56)
Net Debt	1,726	1,807	1,879	(5)	(8)	1,726	1,879	(8)
Net Debt / LTM EBITDA*	3.3	3.7	2.3					
LTM Interest Coverage ^{3*}	3.5	3.3	5.3					

* Times. LTM= Last 12 months

1 Excludes extraordinary items

2 Figure includes divestments

3 Interest Coverage= EBITDA/Net Financial Expenses

Volume of 1,202 ktons was flat versus 2Q23 and 1Q24. The Polyester segment was up 2% year-on-year mainly driven by resilient regional demand. In contrast, the Plastics & Chemicals (P&C) segment was down 5% when compared to 2Q23 primarily due to temporary disruptions caused by a delayed rainfall season in Altamira, Mexico. Accumulated Volume was 2,404 ktons, up 2% versus the first half of 2023 driven by the Polyester segment.

Revenues totaled US \$1.921 billion in 2Q24, down 6% versus 2Q23 as stable Volume was offset by lower average prices. However, revenues were up 1% versus 1Q24 supported by a slight sequential improvement in average prices and stable Volume. Accumulated Revenues were US \$3.825 billion, down 7% versus the first half of 2023, resulting from a 9% reduction in average prices that was partially offset by a 2% increase in Volume.

EBITDA was US \$170 million in 2Q24, up 15% year-on-year and 1% higher versus 1Q24. 2Q24 EBITDA includes a net benefit of US \$12 million from extraordinary items, comprised mainly of non-cash inventory adjustments and carry-forward effects. For reference, 2Q23 EBITDA included a net negative impact of US -\$53 million from extraordinary items. Accumulated EBITDA for the first half of 2024 was US \$338 million, up 1% versus the same period of 2023 as the increase in Polyester was offset by the decrease in P&C.

Comparable EBITDA was US \$158 million, down 21% versus 2Q23 amid lower reference margins when compared to the previous year. However, Comparable EBITDA was 3% higher quarter-on-quarter mainly driven by EPS, which benefitted from a significant recovery in reference margins following a temporary contraction in 1Q24. Accumulated Comparable EBITDA of US \$312 million is tracking in line to reach full-year EBITDA Guidance of US \$600 million.

Capital Expenditures & Acquisitions (Capex) totaled US \$22 million in 2Q24, mainly allocated towards scheduled maintenance. Accumulated Capex was US \$56 million, down 56% versus the first half of 2023 as Alpek remains committed to disciplined capital allocation.

Net Debt was US \$1.726 billion, down 5% quarter-on-quarter and 8% lower when compared with 2Q23. On an absolute basis, Net Debt decreased US \$3 million versus year-end 2023. The year-to-date decrease in Net Debt reflects lower Income Tax and Dividends, as well as a lower Capex. Financial ratios at the close of 2Q24 were: Net Debt to EBITDA of 3.3 times and Interest Coverage of 3.5 times.

Cash at the close of the second quarter was US \$417 million, including restricted cash.

RECENT DEVELOPMENTS - ALPEK

<p>Completed Structural Cost Reduction Initiatives</p>	<ul style="list-style-type: none"> ▶ Achieved 100% completion of structural initiatives to reduce fixed and variable costs, and maximize cash flow ▶ Initiatives included footprint optimization, more competitive electricity agreements and organizational restructuring ▶ Overall, Alpek estimates savings of US \$75 million on an annualized, run-rate basis. A majority portion of the benefits from these cost-saving initiatives started to ramp up since 1Q24
<p>Improvement in ESG</p>	<ul style="list-style-type: none"> ▶ Alpek continues to make strong progress related to its ESG goals and strategies ▶ MSCI raised Alpek’s rating to “BBB”, primarily due to its enhanced business practices and 2022 carbon emissions performance, which is superior to the industry average ▶ Furthermore, Alpek published its comprehensive 2023 Sustainability Report, including the following additions: <ul style="list-style-type: none"> - New double materiality matrix, which now considers financial impact, - Roadmap to showcase their decarbonization journey with current & emerging technologies, as well as potential time frames, - More detailed climate-related risk & opportunity assessment, and the first company-wide gender pay gap analysis. - Read the full report here.

(See "Appendix – 2Q24 Reports of Listed Businesses" for Alpek’s complete 2Q24 Earnings Report)

Axtel (BMV: AXTELCPO) – IT & TELECOM

axtel



In accordance with International Financial Reporting Standards (IFRS), ALFA's Consolidated Results must account for Axtel as Discontinued Operations due to the spin-off of this business.

Additional details related to the effects of discontinued operations on ALFA's consolidated results are available in Table 9.

It is important to note that accounting for Axtel as a Discontinued Operation in ALFA's financial statements ended on May 29, 2023.

Please refer to Axtel's 2Q24 Earnings Report for the analysis of full quarterly and accumulated operating figures.

2Q24 EARNINGS CALL INFORMATION

Date: Thursday, July 25, 2024

Time: 1:30 p.m. EDT (NY) / 11:30 a.m. CST (CDMX)

Registration: https://us02web.zoom.us/webinar/register/WN_dxVDIKZLSb68HL9KGBdXMQ

Replay: <https://www.alfa.com.mx/en/events/>

About ALFA

ALFA is comprised mainly of two businesses with global operations: Sigma, a leading multinational food company, focuses on the production, marketing, and distribution of quality foods through recognized brands in Mexico, Europe, the United States, and Latin America. Alpek is one of the world's top producers of Polyester (PTA, PET, PET sheet and rPET), and the leader in the Mexican market for Polypropylene (PP) and Expandable Polystyrene (EPS). In 2023, ALFA reported revenues of Ps \$291,207 million (US \$16.4 billion), and EBITDA of Ps \$24,783 million (US \$1.4 billion). ALFA's shares are quoted on the Mexican Stock Exchange and on Latibex, the market for Latin American shares of the Madrid Stock Exchange. For more information, please visit www.alfa.com.mx

Disclaimer

This release may contain forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, future results could vary from those set forth in this release. The report presents unaudited financial information. Figures are presented in Mexican pesos or U.S. dollars, as indicated. Where applicable, peso amounts were translated into U.S. dollars using the average exchange rate of the months during which the operations were recorded. Financial ratios are calculated in U.S. dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

Tables

ALFA

Table 1 | VOLUME AND PRICE CHANGES (%)

	2Q24 vs.		2024 vs.
	1Q24	2Q23	2023
Total Volume	1.0	1.4	2.7
Domestic Volume	(0.7)	0.2	1.8
Foreign Volume	2.1	2.2	3.3
Avg. Ps. \$ Prices	2.4	(4.8)	(8.7)
Avg. US \$ Prices	1.2	(2.0)	(2.7)

Table 2 | REVENUES

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Total Revenues								
Ps. \$ Millions	72,169	69,776	74,788	3	(4)	141,945	151,162	(6)
US \$ Millions	4,197	4,106	4,221	2	(1)	8,303	8,306	-
Domestic Revenues								
Ps. \$ Millions	29,577	29,104	29,073	2	2	58,681	59,304	(1)
US \$ Millions	1,720	1,712	1,641	-	5	3,432	3,257	5
Foreign Revenues								
Ps. \$ Millions	42,592	40,672	45,715	5	(7)	83,264	91,858	(9)
US \$ Millions	2,477	2,393	2,580	3	(4)	4,870	5,049	(4)
Foreign / Total (%)	59	58	61			59	61	

Table 3 | OPERATING INCOME AND EBITDA

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Operating Income								
Ps. \$ Millions	5,404	4,907	4,378	10	23	10,311	8,294	24
US \$ Millions	313	289	246	8	27	602	455	32
EBITDA								
Ps. \$ Millions	7,660	7,228	6,398	6	20	14,887	13,429	11
US \$ Millions	445	425	360	5	23	870	736	18
EBITDA/Revenues (%)*	10.6	10.4	8.5			10.5	8.9	

*US dollar denominated EBITDA margin

Table 4 | EXTRAORDINARY ITEMS (US \$ MILLION)

Company	Extraordinary item	2Q24	1Q24	2Q23	2024	2023
Alpek	Inventory gain (loss)	11	12	(32)	23	(33)
	Carry forward gain (loss)	3	6	(8)	8	(8)
	Others	(2)	(3)	(13)	(5)	(32)
	Total Alpek	12	14	(53)	26	(73)
Sigma	Europe organizational restructure	0	0	(12)	0	(12)
	Total Sigma	0	0	(12)	0	(12)
ALFA	Total effect on EBITDA	12	14	(65)	26	(85)

Table 5 | COMPARABLE EBITDA (US \$ MILLION)

Company	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
ALFA	433	411	425	5	2	844	821	3
Alpek	158	154	201	3	(21)	312	408	(23)
Sigma	279	264	229	6	21	542	421	29
Newpek	0	(1)	1	(95)	(94)	(1)	0	635
ALFA EBITDA/Revenues (%)	10.3	10.0	10.1			10.2	9.9	

Table 6 | COMPREHENSIVE FINANCING INCOME / EXPENSE (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Financial Expenses	(157)	(129)	(123)	(21)	(27)	(286)	(235)	(22)
Financial Income	37	25	22	51	72	62	37	68
Net Financial Expenses	(119)	(104)	(101)	(14)	(18)	(224)	(198)	(13)
Exchange Rate Gains (Losses)	(186)	(27)	(25)	(591)	(642)	(212)	(15)	-
Capitalized Comp. Fin. Expense	0	0	0	-	-	0	0	-
Comprehensive Financing Expense	(305)	(131)	(126)	(132)	(142)	(436)	(213)	(105)
Avg. Cost of Borrowed Funds (%)	6.9	6.0	5.5			6.5	5.6	

Table 7 | NET INCOME (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 %		2024	2023	Ch.%
				1Q24	2Q23			
Consolidated Net Income (Loss)	57	73	21	(21)	180	130	38	248
Minority Interest	6	13	16	(55)	(64)	19	47	(60)
Majority Net Income (Loss)	52	60	4	(14)	-	112	(10)	-
Per Share (US dollars)	0.01	0.01	0.00	(13)	-	0.02	(0.00)	-
Avg. Outstanding Shares (Millions)	4,819	4,819	4,819			4,819	4,819	

Table 8 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.	
				1Q24	2Q23
Assets					
Cash and cash equivalents	1,181	1,505	1,143	(22)	3
Trade accounts receivable	1,341	1,274	1,225	5	9
Inventories	2,431	2,431	2,616	-	(7)
Current assets from discontinued operations	0	0	0	-	-
Other current assets	708	686	821	3	(14)
Total current assets	5,661	5,896	5,804	(4)	(2)
Investment in associates and others	21	28	552	(26)	(96)
Property, plant and equipment, net	4,236	4,388	4,395	(3)	(4)
Goodwill and intangible assets, net	1,916	1,928	1,979	(1)	(3)
Other non-current assets	603	563	599	7	1
Total assets	12,437	12,803	13,329	(3)	(7)
Liabilities & stockholders' equity					
Debt	76	70	1,174	9	(94)
Suppliers	2,862	2,728	2,594	5	10
Current liabilities from discontinued operations	0	0	0	-	-
Other current liabilities	903	1,000	1,310	(10)	(31)
Total current liabilities	3,841	3,798	5,078	1	(24)
Debt (include debt issuance cost)	5,703	6,174	4,588	(8)	24
Employees' benefits	189	199	198	(5)	(5)
Other long-term liabilities	725	750	773	(3)	(6)
Total liabilities	10,458	10,921	10,637	(4)	(2)
Total stockholders' equity	1,979	1,882	2,692	5	(26)
Total liabilities & stockholders' equity	12,437	12,803	13,329	(3)	(7)
Net Debt	4,977	5,094	4,994	(2)	-
Net Debt/EBITDA*	3.3	3.5	3.3		
Interest Coverage*	3.6	3.6	4.1		

* Times. LTM=Last 12 months

Table 9 | INCOME STATEMENT DISCONTINUED OPERATIONS – AXTEL
(US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch. %
				1Q24	2Q23			
Total Revenues	0	0	95	-	(100)	0	240	(100)
Gross Profit	0	0	49	-	(100)	0	121	(100)
Operating expenses and others	0	0	(45)	-	100	0	(115)	100
EBITDA	0	0	25	-	(100)	0	53	(100)
Operating income (loss)	0	0	4	-	(100)	0	(1)	100
Financial cost, net	0	0	(1)	-	100	0	20	(100)
Income Tax	0	0	(6)	-	100	0	(11)	100
Net Profit (loss)	0	0	(2)	-	100	0	9	(100)

*2023 accumulated figures for the four months and 29 days ended May 29, 2023

Sigma

Table 10 | SIGMA - VOLUME AND PRICE CHANGES (%)

	2024 vs.		2024 vs.
	1Q24	2Q23	2023
Total Volume	2.9	3.1	4.1
Avg. Ps. \$ Prices	1.7	(1.3)	(3.5)
Avg. US \$ Prices	0.6	1.6	2.6

Table 11 | SIGMA – REVENUES AND EBITDA IN LOCAL CURRENCY

	2024	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Revenues								
Mexico (Ps. \$ Millions)	19,116	18,314	17,808	4	7	37,429	35,428	6
Europe (€ Millions)	516	503	555	2	(7)	1,019	1,078	(5)
United States (US \$ Millions)	426	398	389	7	10	824	735	12
Latam (US \$ Millions Eq ¹)	151	150	146	1	4	298	288	3
EBITDA								
Mexico (Ps. \$ Millions)	3,273	2,987	2,888	10	13	6,259	5,291	18
Europe (€ Millions)	17	13	(10)	32	(270)	30	(1)	-
United States (US \$ Millions)	55	59	53	(5)	5	114	94	21
Latam (US \$ Millions Eq ¹)	14	16	12	(9)	20	30	24	21

¹US \$ Million equivalent= 2Q24 and 1Q24 financial results in each country are converted into US Dollars at the 2Q23 average exchange rate for each local currency. 2024 accumulated amounts are converted into US Dollars at the 2023 accumulated average exchange rate.

Table 12 | SIGMA - OPERATING INCOME

	2024	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Operating Income								
Ps. \$ Millions	3,735	3,454	2,883	8	30	7,188	5,465	32
US \$ Millions	218	203	163	7	33	421	301	40

Table 13 | SIGMA - COMPREHENSIVE FINANCING INCOME / EXPENSE
(US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.		2024	2023	Ch.%
				1Q24	2Q23			
Financial Expenses	(68)	(51)	(45)	34	49	(118)	(80)	49
Financial Income	13	8	5	54	159	21	10	105
Net Financial Expenses	(55)	(42)	(41)	30	35	(97)	(69)	40
Exchange Rate Gains (Losses)	(26)	(32)	(62)	(21)	(59)	(58)	(104)	(44)
Capitalized Comp. Fin. Expense	0	0	0	-	-	0	0	-
Comprehensive Financing Expense	(80)	(74)	(103)	8	(22)	(155)	(173)	(11)
Avg. Cost of Borrowed Funds (%)	7.7	6.5	5.3			7.1	5.1	

Table 14 | SIGMA - STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS
(US \$ MILLION)

	2Q24	1Q24	2Q23	(%) 2Q24 vs.	
				1Q24	2Q23
Assets					
Cash and cash equivalents	721	1,134	609	(36)	18
Trade accounts receivable	428	423	357	1	20
Inventories	987	980	1,033	1	(4)
Other current assets	240	230	345	4	(30)
Total current assets	2,375	2,767	2,344	(14)	1
Investment in associates and others	3	4	8	(1)	(55)
Property, plant and equipment, net	1,689	1,775	1,704	(5)	(1)
Goodwill and intangible assets, net	1,523	1,525	1,537	-	(1)
Other non-current assets	159	170	159	(7)	-
Total assets	5,750	6,241	5,752	(8)	-
Liabilities & stockholders' equity					
Debt	69	66	745	4	(91)
Suppliers	1,190	1,205	1,260	(1)	(6)
Other current liabilities	418	548	595	(24)	(30)
Total current liabilities	1,677	1,819	2,600	(8)	(35)
Debt (include debt issuance cost)	2,666	3,146	1,903	(15)	40
Employees' benefits	103	108	91	(5)	13
Other long-term liabilities	204	222	220	(8)	(7)
Total liabilities	4,651	5,296	4,814	(12)	(3)
Total stockholders' equity	1,099	946	938	16	17
Total liabilities & stockholders' equity	5,750	6,241	5,752	(8)	-
Net Debt	2,019	2,084	2,012	(3)	-
Net Debt/EBITDA*	2.0	2.2	2.8		
Interest Coverage*	5.7	5.9	5.6		

* Times. LTM=Last 12 months

Financial Statements

ALFA, S.A.B. de C.V. and Subsidiaries

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

ASSETS	Jun 24	Mar 24	Jun 23	(%) Jun 24 vs.	
				Mar 24	Jun 23
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	21,695	25,108	19,516	(14)	11
Trade accounts receivable	24,648	21,248	20,911	16	18
Other accounts and notes receivable	5,500	4,476	4,850	23	13
Inventories	44,678	40,536	44,653	10	-
Current assets from discontinued operations	0	0	0	-	-
Other current assets	7,502	6,970	9,160	8	(18)
Total current assets	104,023	98,338	99,090	6	5
Investments in associates and joint ventures	381	469	9,428	(19)	(96)
Property, Plant and equipment	77,841	73,184	75,030	6	4
Intangible assets	35,219	32,162	33,777	10	4
Other non-current assets	11,078	9,375	10,223	18	8
Total assets	228,542	213,528	227,548	7	-
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Current portion of long-term debt	1,338	1,002	17,598	34	(92)
Bank loans and notes payable	64	173	2,442	(63)	(97)
Suppliers	52,588	45,490	44,293	16	19
Current liabilities from discontinued operations	0	0	0	-	-
Other current liabilities	16,603	16,677	22,365	-	(26)
Total current liabilities	70,592	63,342	86,698	11	(19)
LONG-TERM LIABILITIES:					
Long-term debt	104,811	102,965	78,319	2	34
Deferred income taxes	6,505	5,542	6,143	17	6
Other liabilities	6,803	6,960	7,051	(2)	(4)
Estimated liabilities for seniority premiums and pension plans	3,470	3,325	3,377	4	3
Total liabilities	192,181	182,134	181,588	6	6
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	152	152	152	-	-
Earned surplus	25,976	21,501	33,682	21	(23)
Total controlling interest	26,128	21,653	33,834	21	(23)
Total Non-controlling interest	10,233	9,741	12,126	5	(16)
Total stockholders' equity	36,361	31,394	45,960	16	(21)
Total liabilities and stockholders' equity	228,542	213,528	227,548	7	-
Current ratio	1.5	1.6	1.1		
Debt to equity	5.3	5.8	3.9		

ALFA, S.A.B. de C.V. and Subsidiaries

INCOME STATEMENT

Information in millions of Nominal Mexican Pesos

	2Q24	1Q24	2Q23	2Q24 vs. (%)	
				1Q24	2Q23
Net sales	72,169	69,776	74,788	3	(4)
Domestic	29,577	29,104	29,073	2	2
Export	42,592	40,672	45,715	5	(7)
Cost of sales	(56,663)	(54,789)	(60,456)	(3)	6
Gross profit	15,506	14,987	14,332	3	8
Operating expenses and others	(10,102)	(10,080)	(9,954)	(0)	(1)
Operating income	5,404	4,907	4,378	10	23
Comprehensive financing expense, net	(5,358)	(2,230)	(2,239)	(140)	(139)
Equity in income (loss) of associates	2	(6)	(3)	133	167
Income before the following provision	48	2,671	2,137	(98)	(98)
Provisions for:					
Income tax	896	(1,435)	(1,723)	162	152
Profit (loss) from continuing operations	944	1,236	414	(24)	128
Profit (loss) from discontinued operations	-	-	(39)	-	100
Consolidated net income	944	1,236	375	(24)	152
Income (loss) corresponding to minority interest	100	218	288	(54)	(65)
Net income (loss) corresponding to majority interest	844	1,018	87	(17)	870
EBITDA	7,660	7,228	6,398	6	20
Interest coverage*	3.6	3.6	4.2		

* Times. LTM=Last Twelve Months

Sigma Alimentos, S.A. de C.V. and Subsidiaries

BALANCE SHEET

Information in millions of Nominal Mexican Pesos

(%) Jun 24 vs.

	Jun 24	Mar 24	Jun 23	Mar 24	Jun 23
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	13,244	18,908	10,396	(30)	27
Restricted cash	23	22	7	7	-
Customers, net	7,859	7,057	6,238	11	26
Income tax recoverable	1,021	435	393	135	-
Inventories	18,129	16,346	17,628	11	3
Other current assets	3,373	3,382	5,360	-	(37)
Total current assets	43,649	46,149	40,022	(5)	9
Property, plant and equipment, net	31,046	29,604	29,086	5	7
Intangible assets, net	15,642	14,192	13,812	10	13
Goodwill	12,350	11,248	12,429	10	(1)
Deferred income tax	2,613	2,568	2,480	2	5
Investments in associates and joint ventures	64	59	73	9	(13)
Other non-current assets	306	272	294	13	4
Total non-current assets	62,022	57,944	58,175	7	7
Total assets	105,671	104,092	98,197	2	8
LIABILITIES AND STOCKHOLDER'S EQUITY					
CURRENT LIABILITIES:					
Current debt	669	521	12,209	29	(95)
Notes payables	593	581	513	2	16
Suppliers	21,872	20,094	19,757	9	11
Income tax payable	704	1,955	1,923	(64)	(63)
Provisions	151	157	257	(4)	(41)
Other current liabilities	6,835	7,021	9,735	(3)	(30)
Total current liabilities	30,825	30,329	44,394	2	(31)
NON-CURRENT LIABILITIES:					
Non-current debt	46,003	49,974	30,232	(8)	52
Notes payables	2,988	2,499	2,251	20	33
Deferred income taxes	3,412	3,089	3,236	10	5
Employees benefits	1,894	1,809	1,561	5	21
Provisions	8	6	66	52	(87)
Income tax payable	-	-	-	-	-
Other non-current liabilities	337	614	447	(45)	(25)
Total non-current liabilities	54,643	57,991	37,793	(6)	45
Total liabilities	85,467	88,320	82,187	(3)	4
STOCKHOLDERS' EQUITY:					
Total controlling interest:	20,130	15,711	15,952	28	26
Total non-controlling interest:	74	61	58	21	28
Total stockholders' equity	20,204	15,772	16,010	28	26
Total liabilities and stockholders' equity	105,671	104,092	98,197	2	8

Sigma Alimentos, S.A. de C.V. and Subsidiaries

INCOME STATEMENT

Information in millions of Nominal Mexican Pesos

	2Q24	1Q24	2Q23	2Q24 vs. (%)	
				1Q24	2Q23
Revenue	38,615	36,887	37,959	5	2
Cost of sales	(26,002)	(24,893)	(26,568)	4	(2)
Gross profit	12,613	11,994	11,392	5	11
Selling expenses	(6,924)	(6,441)	(6,434)	8	8
Administrative expenses	(2,029)	(2,126)	(1,907)	(5)	6
Other income (expenses), net	75	26	(167)	187	(145)
Operating profit	3,735	3,454	2,883	8	30
Comprehensive financial expenses, net	(1,396)	(1,257)	(1,812)	11	(23)
Equity in income (loss) of associates	-	-	-	-	-
Profit before income tax	2,338	2,197	1,071	6	118
Provisions for:					
Income tax	(120)	(1,025)	(1,135)	(88)	(89)
Net consolidated profit	2,218	1,172	(64)	89	-
Non-controlling interest	6	10	1	(36)	382
Controlling interest	2,212	1,162	(65)	90	-



**Appendix –
Alpek 2Q24 Results Report**



SECOND QUARTER **2024 RESULTS**

July 24, 2024

Webcast Details

Thursday July 25th at
10:00 am MX | 12:00 pm ET

[Zoom Webcast Registration](#)

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QUARTERLY HIGHLIGHTS

(U.S.\$ million, unless otherwise noted)

- Volume remained flat QoQ and YoY, reaching 1.2M tons, driven by solid regional demand for Polyester. Despite the delayed rainfall season in Altamira causing temporary disruptions, the Company effectively managed its inventory and leveraged its global presence to partially mitigate the impact on supply. By the end of June, water levels had fully recovered as tropical storms entered the region.
- Comparable EBITDA amounted to \$158M (+3% QoQ and -21% YoY), on track to reach full-year Guidance.
- Structural cost improvement initiatives achieved 100% completion; total savings are expected to be reflected by 3Q24. Currently, we are evaluating additional potential efficiency opportunities.
- In ESG, MSCI raised Alpek’s rating to “BBB”, primarily due to its enhanced business practices and 2022 carbon emissions performance, which is superior to the industry average.
- The leverage ratio decreased from 3.7x in 1Q24 to 3.3x in 2Q24; Alpek remains committed to approaching its 2.5x target by year-end.

KEY METRICS

(U.S.\$ million, unless otherwise noted)

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Volume¹ (ktons)	1,202	1,202	1,197	-	-	2,404	2,358	2
Polyester	1,000	990	984	1	2	1,990	1,923	3
Plastics & Chemicals	202	212	213	(4)	(5)	414	435	(5)
Production (ktons)	1,586	1,422	1,393	12	14	3,008	2,775	8
Polyester	1,406	1,212	1,184	16	19	2,618	2,356	11
Plastics & Chemicals	180	210	209	(14)	(14)	390	418	(7)
Revenues	1,921	1,903	2,050	1	(6)	3,825	4,112	(7)
Polyester	1,425	1,395	1,532	2	(7)	2,820	3,022	(7)
Plastics & Chemicals	399	398	409	-	(3)	797	842	(5)
Others	98	110	109	(11)	(10)	208	248	(16)
Reported EBITDA	170	168	148	1	15	338	335	1
Polyester	122	109	90	11	35	231	181	28
Plastics & Chemicals	44	57	55	(23)	(20)	100	154	(35)
Others	5	2	3	157	69	7	-	-
Comparable EBITDA²	158	154	201	3	(21)	312	408	(23)
Polyester	102	107	127	(4)	(20)	210	260	(19)
Plastics & Chemicals	52	43	70	20	(26)	95	147	(36)
Others	4	4	3	14	34	8	-	-
Net Income (Controlling Interest)	13	8	31	52	(59)	21	25	(16)
CAPEX	22	34	75	(33)	(70)	56	127	(56)
Net Debt	1,726	1,807	1,879	(5)	(8)			
Net Debt / EBITDA³	3.3	3.7	2.3					

(1) Excludes intracompany sales (2) Excludes inventories, carry-forward effects, and non-operating, one-time (gains) losses (3) Times: LTM

MESSAGE FROM OUR CEO

“The Company continued to perform consistently throughout the quarter, and we remain on track to achieve our Guidance for 2024, with strong Free Cash Flow generation, despite industry conditions. Across our various segments, we continue to see a gradual demand recovery, and reference margins have stabilized across our product portfolio.

During the quarter, the delayed rainfall season impacted water levels throughout Mexico, which caused temporary operational interruptions at three of our sites in Altamira, in the state of Tamaulipas. However, our vigorous response allowed us to leverage our global footprint and manage inventory to maintain volume levels, while also improving EBITDA on a quarter-over-quarter basis.

Regarding the strategies aimed at improving competitiveness, we are on track in terms of our structural cost initiatives and have reached 100% completion of the organizational restructuring of the Polyester business, with the most significant benefits already factored in since the beginning of the year. Meanwhile, we continue to deleverage our Company, by maintaining prudent CAPEX levels, improving our Net Working Capital, and reducing our net debt.

Looking ahead, we believe the industry continues to gradually move towards normalized demand, although the petrochemical markets are still subject to excess capacity. Recent disruptions in import flows have led to rising ocean freight costs, creating potential opportunities to enhance volume and margins, contingent to the duration.”

Overview

(U.S.\$ unless otherwise noted)

Alpek’s total volume for the quarter resulted in 1.2 million tons, flat versus the previous quarter and previous year. These results primarily stemmed from a slight volume increase in the Polyester segment, as consistent levels offset lower volumes at the Altamira operations.

In the Polyester segment, Asian reference margins reached \$297 per ton (+3% QoQ) driven by improved regional demand. Chinese reference margins decreased, as rising ocean freight costs reduced exports from the region, resulting in \$147 per ton (-4% QoQ). U.S. average reference Paraxylene prices increased to \$1,341 per ton, 4% quarter over quarter, resulting in an average disconnection between North American and Asian prices of \$258 per ton (+12% QoQ & -9% YoY), closing the quarter at \$240 per ton.

The Plastics & Chemicals segment experienced a recovery in EPS reference margins, averaging \$0.26 per pound (+40% QoQ), while average PP reference margins remained flat at \$0.15 per ton. Average reference Styrene prices increased to \$0.60 per pound (+3% QoQ) while average reference Propylene prices decreased to \$0.47 per pound, 13% lower QoQ.



Jorge Young
CEO

Improvement in Sustainability

Furthermore, Alpek continues to make strong progress on the Sustainability front. Earlier this month, the Company published its comprehensive 2023 Sustainability Report, including the following additions:

- New double materiality matrix, which now considers financial impact,
- Roadmap to showcase our decarbonization journey with current & emerging technologies, as well as potential time frames,
- More detailed climate-related risk & opportunity assessment, and
- The first company-wide gender pay gap analysis.

Read the full report [here](#).

In terms of ESG Ratings, recently, MSCI upgraded the Company's rating to "BBB" for the first time since 2019, recognizing enhancements in business practices, notably its whistleblower protection policy, and its 2022 GHG emissions intensity, which was lower than the industry average. Alpek remains committed to enhancing its goals and strategies to ensure continued progress.

Outlook

The industry's gradual recovery witnessed during the first half of the year, continued to yield steady results from improvements in demand and stable reference margins. The increase in ocean freight costs will play a significant role in domestic markets that could generate potential opportunities. Alpek remains on track with its structural cost reduction initiatives, with estimated savings on a run-rate annualized-basis of \$75 million expected for the third quarter. Consequently, Alpek is confident it will reach its full-year 2024 Guidance.

FINANCIAL RESULTS

EBITDA

(U.S.\$ million, unless otherwise noted)

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Reported EBITDA	170	168	148	1	15	338	335	1
Inventory Adj. & Carry Fwd Effects	(14)	(18)	40	24	(134)	(31)	41	(176)
Others	2	3	13	(53)	(87)	5	32	(84)
Comparable EBITDA	158	154	201	3	(21)	312	408	(23)

Comparable EBITDA was \$158 million (+3% QoQ). The P&C segment had stronger results, particularly as EPS saw a decline in raw material prices on a month-to-month basis, which partially offset a decrease in Polyester results from the impact of the situation at Altamira.

Reported EBITDA was \$170 million (+15% YoY and +1% QoQ), including a \$14 million combined inventory adjustment and carry-forward effect, and \$2 million in non-recurring effects mainly from organizational restructuring costs.

INCOME STATEMENT

(U.S.\$ million, unless otherwise noted)

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Total Revenues	1,921	1,903	2,050	1	(6)	3,825	4,112	(7)
Gross Profit	158	166	156	(5)	1	324	349	(7)
Operating expenses and others	(55)	(72)	(73)	23	25	(127)	(190)	33
Operating Income (loss)	103	95	83	8	24	197	158	24
Financial cost, net	(102)	(46)	(15)	(120)	(580)	(148)	(35)	(321)
Share of losses of associates	(1)	(1)	(1)	38	47	(1)	(2)	23
Income tax	16	(28)	(25)	155	163	(13)	(61)	79
Consolidated Net Income (loss)	16	20	42	(19)	(62)	36	61	(41)
Controlling interest	13	8	31	52	(59)	21	25	(16)
Earnings per Share (U.S. \$)	0.01	0.00	0.01	52	(59)	0.01	0.01	(16)
Avg. Outstanding Shares (million)*	2,107	2,107	2,107	-	-	2,107	2,107	-

*The same number of equivalent shares are considered in the periods presented

Revenues were \$1.92 billion (+1% QoQ) from sequentially higher average prices.

Operating Income was \$103 million (+24% YoY and +8% QoQ).

Net Income Attributable to the Controlling Interest was \$13 million, primarily due to a higher operating income.

CASH FLOW

(U.S.\$ million, unless otherwise noted)

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
EBITDA	170	168	148	1	15	338	335	1
Net Working Capital & Others	34	(160)	284	121	(88)	(126)	218	(158)
CAPEX	(22)	(34)	(75)	33	70	(56)	(127)	56
Financial Expenses	(40)	(36)	(45)	(11)	10	(77)	(86)	11
Income Tax	(26)	(32)	(97)	19	73	(59)	(154)	62
Dividends	(20)	-	-	(100)	(100)	(20)	(185)	89
Payment to affiliated companies	1	(1)	(3)	188	132	-	(3)	96
Other Sources / Uses	(15)	17	(9)	(189)	(64)	2	(17)	111
Decrease (Increase) in Net Debt	82	(78)	203	204	(60)	3	(19)	117

Net Working Capital (NWC) improved by \$34 million, as PP and EPS raw material prices decreased on a sequential basis.

CAPEX of \$22 million (-70% YoY), mainly from scheduled maintenance and well below Guidance. Alpek remains committed to disciplined capital allocation.

Dividend payment of \$20 million to minority shareholders.

Income Tax was \$26 million, a notable reduction from the previous year (-73% YoY), as expected.

NET DEBT & LEVERAGE

(U.S.\$ million, unless otherwise noted)

	2Q24	1Q24	2Q23	QoQ%	YoY%
Net Debt	1,726	1,807	1,879	(5)	(8)
EBITDA (LTM)	517	495	827	5	(37)
Net Debt / EBITDA (LTM)	3.3	3.7	2.3		

As of June 30, 2024, **Consolidated Net Debt** was \$1.73 billion, down 8% YoY and 5% QoQ. Gross Debt was \$2.14 billion, and Cash was \$417 million, including restricted cash. For 2Q24, Net Debt to EBITDA was 3.3x and Interest Coverage was 3.5x. The Company maintains its investment grade rating across all three rating agencies, with S&P reaffirming its rating as of May 13, 2024.

POLYESTER RESULTS

(PTA, PET Resin, PET Sheet, & rPET: 73% of Alpek's Net Sales)

U.S.\$ million, unless otherwise noted

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Volume (ktons)	1,000	990	984	1	2	1,990	1,923	3
Production (ktons)	1,406	1,212	1,184	16	19	2,618	2,356	11
Revenues	1,425	1,395	1,532	2	(7)	2,820	3,022	(7)
Reported EBITDA	122	109	90	11	35	231	181	28
Inventory Adj. & Carry Fwd Effects	(21)	(6)	25	(270)	(184)	(26)	48	(155)
Others	2	3	12	(53)	(87)	5	31	(84)
Comparable EBITDA	102	107	127	(4)	(20)	210	260	(19)

Volume was 1 million tons, an increase of 2% YoY and 1% QoQ, mainly from a continuation of stable demand levels. The Company estimates that volume would have been higher if there had been no interruptions in Altamira's PTA operations, which were impacted by scheduled maintenance earlier in the quarter and temporary restrictions to its water supply.

Comparable EBITDA decreased to \$102 million (-20% YoY and -4% QoQ) as reference margins remained at lower levels when compared to the previous year. Asian PET reference margins increased to an average \$297 per ton, yet lower year-over-year (-11%) while average Chinese PET reference margins remained pressured, decreasing to an average of \$147 per ton (-35% YoY).

Average U.S. reference Paraxylene prices increased by 4% QoQ, while the disconnection between the North American and Asian Px prices increased to an average of \$258 per ton (+12% QoQ).

Reported EBITDA was \$122 million (+35% YoY and +11% QoQ), mainly from a combined positive inventory and carry-forward effect of \$21 million.

PLASTICS & CHEMICALS (P&C) RESULTS

(PP, EPS, & Specialty Chemicals: 21% of Alpek's Net Sales)

U.S.\$ million, unless otherwise noted

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Volume (ktons)	202	212	213	(4)	(5)	414	435	(5)
Production (ktons)	180	210	209	(14)	(14)	390	418	(7)
Revenues	399	398	409	-	(3)	797	842	(5)
Reported EBITDA	44	57	55	(23)	(20)	100	154	(35)
Inventory Adj. & Carry Fwd Effects	8	(14)	15	160	(47)	(5)	(7)	21
Others	-	-	-	-	-	-	1	(100)
Comparable EBITDA	52	43	70	20	(26)	95	147	(36)

Volume was 202 ktons in 2Q24, down 5% from last year's results due to the temporary interruptions in Altamira, particularly for EPS. This effect, however, was partially mitigated as the Company was able to leverage its global footprint.

Comparable EBITDA was \$52 million, (+20% QoQ), with PP remaining in line and EPS having an improvement as raw material prices declined sequentially, particularly in June, as supply in North America normalized after the effects of industry shutdowns in the previous quarter. Reference margins for PP remained flat and EPS reference margins increased by 40%.

Reported EBITDA resulted in \$44 million (-23% QoQ), mainly from inventory adjustments. Propylene decreased to 47 cpp (-13% QoQ) and Styrene average increased to 60 cpp (+3% QoQ) yet declined to 52 cpp by the end of the quarter.

ABOUT ALPEK

Alpek is a leading petrochemical company operating two business segments: “Polyester” (Purified Terephthalic Acid (PTA), Polyethylene Terephthalate (PET), & recycled PET (rPET)), and “Plastics & Chemicals” (polypropylene, expandable styrenics, and other specialty and industrial chemicals). Alpek is a leading producer of PTA, PET Resin & PET Sheet worldwide, a leading rPET producer in the Americas, the third-largest expandable polystyrene manufacturer worldwide, and the only producer of polypropylene in Mexico.

NOTE ON FORWARD LOOKING STATEMENTS

This release contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive, and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, results could vary from those set forth in this release. The report presents unaudited financial information based on International Financial Reporting Standards (IFRS). Figures are stated in nominal Mexican pesos (\$) and in current U.S. dollars (U.S. \$), as indicated. Where applicable, peso amounts were translated into U.S. dollars using the average exchange rate of the months during which operations were recorded. Financial ratios are calculated in U.S. dollars. Due to the rounding up of figures, small differences may occur when calculating percent changes from one period to the other.

APPENDIX A – ADDITIONAL FINANCIAL INFORMATION

TABLE 1 PRICE CHANGES (%)	QoQ	YoY	Ch.
Polyester			
Avg. Ps. Prices	2	(11)	(15)
Avg. U.S. \$ Prices	1	(8)	(10)
Plastics & Chemicals			
Avg. Ps. Prices	6	(1)	(7)
Avg. U.S. \$ Prices	5	2	(1)
Total			
Avg. Ps. Prices	2	(9)	(14)
Avg. U.S. \$ Prices	1	(7)	(9)

TABLE 2 REVENUES	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Total Revenues								
Ps. Million	33,042	32,349	36,330	2	(9)	65,391	74,904	(13)
U.S. \$ Million	1,921	1,903	2,050	1	(6)	3,825	4,112	(7)
Domestic Revenues								
Ps. Million	10,050	10,249	10,807	(2)	(7)	20,299	22,864	(11)
U.S. \$ Million	584	603	610	(3)	(4)	1,187	1,254	(5)
Foreign Revenues								
Ps. Million	22,992	22,100	25,523	4	(10)	45,092	52,040	(13)
U.S. \$ Million	1,338	1,300	1,440	3	(7)	2,638	2,858	(8)
Foreign / Total (%)	70	68	70			69	70	

TABLE 3 OP. INCOME (Loss)	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Operating Income (Loss)								
Ps. Million	1,785	1,608	1,484	11	20	3,393	2,922	16
U.S. \$ Million	103	95	83	8	24	197	158	24

TABLE 4 COMPARABLE EBITDA	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Reported EBITDA								
Ps. Million	2,948	2,856	2,642	3	12	5,805	6,147	(6)
U.S. \$ Million	170	168	148	1	15	338	335	1
Adjustments*								
Ps. Million	(216)	(243)	921	11	(123)	(459)	1,291	(136)
U.S. \$ Million	(12)	(14)	53	17	(123)	(26)	73	(136)
Comparable EBITDA								
Ps. Million	2,733	2,613	3,562	5	(23)	5,346	7,437	(28)
U.S. \$ Million	158	154	201	3	(21)	312	408	(23)
*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses								

TABLE 5 FINANCIAL COST, NET (U.S.\$ million)	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Financial Expenses	(63)	(55)	(55)	(15)	(14)	(118)	(107)	(10)
Financial Income	29	28	13	2	116	57	22	156
Net Financial Expenses	(34)	(26)	(42)	(30)	19	(60)	(84)	28
Fx Gains (Losses)	(67)	(20)	27	(240)	(349)	(87)	49	(277)
Financial Cost, Net	(102)	(46)	(15)	(120)	(580)	(148)	(35)	(321)

TABLE 6 | STATEMENT OF FINANCIAL POSITION & FINANCIAL RATIOS (U.S.\$ million)

	2Q24	1Q24	2Q23	QoQ%	YoY%
Assets					
Cash and cash equivalents	417	312	417	34	-
Trade accounts receivable	889	819	833	8	7
Inventories	1,427	1,431	1,564	-	(9)
Other current assets	342	340	359	1	(5)
Total current assets	3,074	2,902	3,173	6	(3)
Investment in associates and others	10	18	543	(41)	(98)
Property, plant and equipment, net	2,352	2,402	2,488	(2)	(5)
Goodwill and intangible assets, net	193	200	217	(4)	(11)
Other non-current assets	529	508	542	4	(2)
Total assets	6,158	6,030	6,963	2	(12)
Liabilities and stockholders' equity					
Debt					
Debt	22	18	487	23	(95)
Suppliers	1,634	1,483	1,397	10	17
Other current liabilities	269	231	346	16	(22)
Total current liabilities	1,925	1,732	2,230	11	(14)
Debt (include debt issuance costs)	1,923	1,921	1,609	-	19
Employees' benefits	48	50	58	(3)	(16)
Other long-term benefits	331	339	402	(2)	(17)
Total liabilities	4,227	4,042	4,299	5	(2)
Total stockholders' equity	1,931	1,988	2,664	(3)	(28)
Total liabilities and stockholders' equity	6,158	6,030	6,963	2	(12)
Net Debt					
Net Debt	1,726	1,807	1,879		
Net Debt / EBITDA*	3.3	3.7	2.3		
Interest Coverage*	3.5	3.3	5.3		

* Times: last 12 months

POLYESTER

TABLE 7 | REVENUES

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Total Revenues								
Ps. Million	24,493	23,710	27,156	3	(10)	48,202	55,014	(12)
U.S. \$ Million	1,425	1,395	1,532	2	(7)	2,820	3,022	(7)
Domestic Revenues								
Ps. Million	4,908	4,868	5,633	1	(13)	9,777	11,131	(12)
U.S. \$ Million	285	287	318	-	(10)	572	612	(7)
Foreign Revenues								
Ps. Million	19,584	18,842	21,522	4	(9)	38,426	43,882	(12)
U.S. \$ Million	1,139	1,109	1,214	3	(6)	2,248	2,410	(7)
Foreign / Total (%)	80	79	79			80	80	

TABLE 8 | OP. INCOME (LOSS)

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Operating Income (Loss)								
Ps. Million	1,175	825	687	42	71	2,000	544	268
U.S. \$ Million	67	49	38	38	78	116	29	298

TABLE 9 | COMPARABLE EBITDA

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Reported EBITDA								
Ps. Million	2,107	1,859	1,618	13	30	3,966	3,320	19
U.S. \$ Million	122	109	90	11	35	231	181	28
Adjustments*								
Ps. Million	(332)	(38)	643	(782)	(152)	(370)	1,428	(126)
U.S. \$ Million	(19)	(2)	37	(755)	(152)	(21)	79	(127)
Comparable EBITDA								
Ps. Million	1,775	1,821	2,261	(3)	(21)	3,596	4,748	(24)
U.S. \$ Million	102	107	127	(4)	(20)	210	260	(19)

*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses

PLASTICS & CHEMICALS

TABLE 10 REVENUES	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Total Revenues								
Ps. Million	6,850	6,773	7,253	1	(6)	13,623	15,344	(11)
U.S. \$ Million	399	398	409	-	(3)	797	842	(5)
Domestic Revenues								
Ps. Million	3,458	3,551	3,503	(3)	(1)	7,008	7,730	(9)
U.S. \$ Million	201	209	198	(4)	2	410	424	(3)
Foreign Revenues								
Ps. Million	3,392	3,222	3,750	5	(10)	6,614	7,614	(13)
U.S. \$ Million	198	190	212	4	(7)	387	418	(7)
Foreign / Total (%)	50	48	52			49	50	
TABLE 11 OP. INCOME (LOSS)	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Operating Income (Loss)								
Ps. Million	523	753	746	(31)	(30)	1,275	2,379	(46)
U.S. \$ Million	30	44	42	(32)	(28)	75	129	(42)
TABLE 12 COMPARABLE EBITDA	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
Reported EBITDA								
Ps. Million	751	964	970	(22)	(23)	1,715	2,826	(39)
U.S. \$ Million	44	57	55	(23)	(20)	100	154	(35)
Adjustments*								
Ps. Million	135	(233)	278	158	(51)	(98)	(137)	28
U.S. \$ Million	8	(14)	16	160	(48)	(5)	(6)	14
Comparable EBITDA								
Ps. Million	886	731	1,248	21	(29)	1,617	2,689	(40)
U.S. \$ Million	52	43	70	20	(26)	95	147	(36)

*Inventory adjustments, carry-forward effects, and non-operating, one-time (gains) losses

APPENDIX B – FINANCIAL STATEMENTS

ALPEK, S.A.B. DE C.V. and Subsidiaries CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Millions of Mexican pesos)	Jun-24	Mar-24	Jun-23	QoQ%	YoY%
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents	7,305	5,190	7,111	41	3
Restricted cash	350	8	8	4,548	4,029
Trade accounts receivable	16,333	13,662	14,222	20	15
Other accounts and notes receivable	4,812	4,341	4,867	11	(1)
Inventories	26,220	23,872	26,696	10	(2)
Other current assets	1,479	1,332	1,268	11	17
Total current assets	56,499	48,405	54,172	17	4
NON-CURRENT ASSETS:					
Restricted cash	-	310	318	(100)	(100)
Investment in associates and others	190	294	9,271	(35)	(98)
Property, plant and equipment, net	43,227	40,058	42,472	8	2
Goodwill and intangible assets	3,552	3,341	3,712	6	(4)
Other non-current assets	9,706	8,166	8,928	19	9
Total assets	113,174	100,574	118,873	13	(5)
LIABILITIES AND STOCKHOLDERS' EQUITY					
CURRENT LIABILITIES:					
Debt	399	301	8,316	33	(95)
Suppliers	30,020	24,726	23,849	21	26
Other current liabilities	4,954	3,860	5,911	28	(16)
Total current liabilities	35,373	28,887	38,076	22	(7)
NON-CURRENT LIABILITIES:					
Debt (includes debt issuance cost)	35,332	32,041	27,468	10	29
Deferred income taxes	2,579	1,939	2,546	33	1
Other non-current liabilities	3,516	3,715	4,314	(5)	(18)
Employee benefits	889	835	988	6	(10)
Total liabilities	77,689	67,417	73,392	15	6
STOCKHOLDERS' EQUITY:					
Controlling interest:					
Capital stock	6,019	6,019	6,020	-	-
Share premium	8,909	8,909	8,911	-	-
Contributed capital	14,928	14,928	14,931	-	-
Earned surplus	15,720	13,569	25,678	16	(39)
Total controlling interest	30,648	28,497	40,609	8	(25)
Non-controlling interest	4,837	4,660	4,872	4	(1)
Total stockholders' equity	35,485	33,157	45,481	7	(22)
Total liabilities and stockholders' equity	113,174	100,574	118,873	13	(5)

ALPEK, S.A.B. DE C.V. and Subsidiaries
CONSOLIDATED STATEMENT OF INCOME

	2Q24	1Q24	2Q23	QoQ%	YoY%	YTD24	YTD23	Ch.%
(millions of Mexican pesos)								
Revenues	33,042	32,349	36,330	2	(9)	65,391	74,904	(13)
Domestic	10,050	10,249	10,807	(2)	(7)	20,299	22,864	(11)
Export	22,992	22,100	25,523	4	(10)	45,092	52,040	(13)
Cost of sales	(30,322)	(29,521)	(33,544)	(3)	10	(59,843)	(68,518)	13
Gross profit	2,720	2,828	2,786	(4)	(2)	5,548	6,386	(13)
Operating expenses and others	(935)	(1,220)	(1,302)	23	28	(2,155)	(3,464)	38
Operating income (loss)	1,785	1,608	1,484	11	20	3,393	2,922	16
Financial result, net	(1,782)	(786)	(270)	(127)	(560)	(2,568)	(646)	(298)
Equity in income of associates and joint ventures	(9)	(15)	(17)	40	46	(24)	(33)	26
Income (Loss) before taxes	(6)	807	1,197	(101)	(101)	801	2,243	(64)
Income taxes	280	(477)	(437)	160	164	(197)	(1,119)	82
Consolidated net income (loss)	274	330	760	(17)	(64)	604	1,124	(46)
Income (loss) attributable to Controlling interest	216	137	555	58	(61)	353	464	(24)
Income (loss) attributable to Non-controlling interest	58	193	205	(70)	(72)	251	660	(62)